

## FISCAL NOTE

### SB 2171 - HB 2648

January 21, 2004

**SUMMARY OF BILL:** Empowers and requires the Department of Audit within the State Comptroller's Office, to perform internal audits of institutions, programs, and other operations of the State Board of Regents and the University of Tennessee Board of Trustees and report the findings of such audits and make recommendations to such boards. Provides for the transfer of all personnel, facilities, equipment and funding now in use by the State Board of Regents or the University of Tennessee Board of Trustees to perform internal audits, to the Department of Audit in the State Comptroller's Office.

#### ESTIMATED FISCAL IMPACT:

**Other Fiscal Impact - There would be a shift in personnel and state funding of \$1,328,990 from the University of Tennessee and a shift in personnel and state funding from the Tennessee Board of Regents of \$2,553,700 with a corresponding increase in personnel and state funding to the Comptroller's Office of \$3,882,690.**

Estimate assumes:

- A transfer of personnel, equipment and funding from the TBR and UT Board of Trustees. Any cost associated with the physical transfer of personnel, equipment and funding is estimated to be not significant.
- All audit activities transferred would mirror the audit activities determined to be necessary by the Department of Audit.
- Assumes no new audit activities will be necessary.

Details are shown below:

<u>University of Tennessee</u>		<u>Tennessee Board of Regents</u>	
Staff FTE = 20.83		Staff = 40	
Student = 2.0			
Salaries	\$960,490	Salaries &	
Benefits (28%)	268,937	Benefits (28%)	\$2,389,800
Operating	<u>99,563</u>	Operating	<u>163,900</u>
	\$1,328,990		\$2,553,700

#### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director